Read Chapter 2a. 29-43 and answer the following questions

All homework must be typed, except diagrams or graphs

1. Give a “real life” example of why private property and a fair and judicious legal system are critically important to a market economy
2. How are the incentives and disincentives to the producer in a command economy qualitatively different than in a market economy and how does that manifest itself in the market place.
3. Discuss a real life example of creative destruction and consumer sovereignty that you have witnessed as a consumer.
4. Every year my family trades houses with another family that we find on the internet (homeexchange.com). There is no money exchanged in this process. Most recently we’ve become increasingly aware of programs such as vrbo.com and airbnb.com where people place their property on the market for rent.

We’re trying to figure out what to do next year. Using the terminology from the textbook regarding barter transaction v. cash economy discuss what you think we should do?